

CHECKLIST FOR REVIEW OF INDIVIDUAL PERFORMANCE AUDITS

OIG UNDER
REVIEW

NAME OF AUDIT
CONTROL NO.

NAME

DATE

REVIEWER(S)

DATE
COMPLETED

Note: Some checklist items refer to the completion of "quality control checklists or other forms". These items are only applicable if the OIG's policies and procedures provide for the completion of such checklists or forms. If the OIG's policies and procedures do not provide for these types of quality control tools, the checklist items should be checked "N/A". (However, the review team should consider the lack of quality control tools in evaluating the design of the internal quality control system.)

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	Yes	No	N/A	Remarks and Findings
<u>1. STAFF QUALIFICATIONS</u>				
1.1				Did the auditors assigned to the audit collectively appear to possess adequate professional proficiency for the tasks required? (GAS 3.3)
1.2				Did the auditors assigned to the job meet the CPE requirements? (Note: If this was tested with an organizationwide sample (or field office-wide samples) using the checklist in Appendix B, this does not need to be tested here.) (GAS 3.6)
<u>2. INDEPENDENCE</u>				
2.1				Are the working papers free from indications of external or personal impairments to independence? (GAS 3.11-3.17)
2.2				If impairments are found to have existed, was the organization's policies and procedures for handling such situations followed? (If the organization has no policies or procedures, did it nevertheless comply with the GAS requirement to either take the individuals whose independence was impaired off of the assignment or report the impairment in the scope section of the report?) (GAS 3.14)
<u>3. DUE PROFESSIONAL CARE</u>				
3.1				Did the auditors follow proper procedures when determining that an applicable standard was not to be followed? (GAS 3.29)
3.2				Did the auditors adequately document the determination that certain standards did not apply? (GAS 3.29)

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4. QUALITY CONTROL

- 4.1 Were the OIG's quality control procedures performed? (Independent referencing, concurring review, use of required checklists, forms, etc.?)

5. AUDIT PLANNING

- 5.1 Were the following considered during the planning process:
- a. Defining the objectives, methodology and scope of the audit? (GAS 6.2-6.3)
 - b. Significance and the needs of potential users of the report? (GAS 6.7-6.8)
 - c. Obtaining sufficient background information on the organization, program, activity, or function being audited? (GAS 6.9-6.10)
 - d. Legal and regulatory environment? (GAS 6.5)
 - e. Management controls? (GAS 6.5)
 - f. The criteria to evaluate the subject matter of the audit? (GAS 6.11)
 - g. Identification and follow-up on significant findings and questioned costs from prior audits that affect current audit objective? (GAS 6.12-6.13)
 - h. Skill, knowledge and availability of the personnel to staff the assignment? (GAS 6.17-6.18)
 - i. Coordination with other auditors, including work already conducted and work currently planned, when appropriate? (GAS 6.14-6.16)
 - j. Potential sources of data and its validity? (GAS 6.53-6.62)

Yes	No	N/A	Remarks and Findings

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	Yes	No	N/A	Remarks and Findings
k. Criteria for assessing performance (when appropriate)?				
5.2 Did the OIG prepare an adequate audit program? In judging whether the program is suitable for the audit, reviewers should determine whether the nature and scope of work to be performed was sufficient to attain the stated audit objective. (GAS 6.19-21)				
5.3 If changes to planned work were made during the audit, was the audit program updated? (GAS 6.19)				
5.4 Did the OIG auditor consider the procedures performed by the internal auditors, if any, in determining the nature, timing, and extent of his/her own audit procedures? (GAS 6.44)				
5.5 If the internal auditor's work affected the OIG auditor's procedures, was the competence and objectivity of the internal auditor considered? Did the OIG auditor examine evidence on a test basis and also perform tests of some of the work performed by the internal auditor? (GAS 6.15)				
5.6 If the OIG auditors used the work of another independent auditor, did the OIG perform procedures to provide a sufficient basis for that reliance? (GAS 6.15)				
5.7 Were required quality control forms related to audit planning completed?				
<u>6. SUPERVISION</u>				
6.1 Does the level of instruction provided to the audit staff appear appropriate considering the knowledge and experience of the staff and complexity of the audit? (GAS 6.23-25)				
6.2 Was supervisory involvement appropriately timed to provide for (1) adequate planning, (2) the supervisor to be kept informed of significant problems encountered, and (3) assurance that the work was adequately				

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performed and the working papers support the conclusions reached? (GAS 6.23-25)				
6.3 Was the work of assistants reviewed, to monitor adherence to the audit plan, ensure that audit objectives were met and that the report was supported by the working papers? (GAS 6.23)				
6.4 Were points raised by the supervisor(s) during the working paper reviews addressed by the auditor and subsequently cleared by the supervisor?				
6.5 Was the supervision on the audit documented in accordance with agency policy?				
6.6 Were required quality control checklists and forms related to supervision completed?				
<u>7. EVIDENCE AND WORKING PAPERS</u>				
7.1 Do the working papers document that the auditors obtained:				
a. Sufficient, competent, and relevant evidence to support findings, judgments, and conclusions in the report? (AT 100.36; GAS 6.46)				
b. Written representation about the validity of evidence obtained from officials of an audited entity? (GAS 6.55)				
7.2 Do the working papers contain: (GAS 6.64)				
a. The audit objectives, scope and methodology, including any sampling criteria used?				
b. Adequate documentation of the work performed to support the significant conclusions and judgements?				

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<p>c. All required quality control checklists and forms appropriately completed? (GAS 6.64)</p>				
<p>7.3 If data from computer-based systems was significant to the audit findings, did the auditor obtain evidence about the reliability of the data by either (a) determining that the validity of the data was established by other auditors, or (b) directly testing the data. (The level of direct testing may be reduced by testing the effectiveness of general and application controls in the computer-based systems (GAS 6.62)</p>				
<p>7.4 Were any consultations with internal or external consultants/experts that should have been held in accordance with OIG policies and procedures held?</p>				
<u>8. INTERNAL CONTROLS</u>				
<p>8.1 Did the auditors perform the required work relative to management control? Through working paper reviews and discussions with staff, determine whether the work in this area was adequate.</p> <p>Auditors should assess whether management control work was relevant to the audit and, if so, significant to the audit objectives. If management controls are relevant to the audit, the auditor should perform procedures to obtain an understanding of the management controls. If management controls are significant to the objectives of the audit, the auditor should also perform test of the controls. (AU 6.39-43)</p>				
<p>8.2 Was the nature, timing and extent of work performed in this area sufficient to meet the audit objectives and support the conclusions in the report?</p>				

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<u>9. ILLEGAL ACTS, OTHER NONCOMPLIANCE AND ABUSE</u>				
9.1 Did the auditors perform procedures to identify laws, regulations and other compliance requirements (e.g. provisions of contracts) that could have a significant effect on the objectives of the performance audit? (GAS 6.26-28)				
9.2 Did the auditors assess the risk that illegal acts or other noncompliance that is significant to the audit objective could occur? (GAS 6.28, 6.31)				
9.3 Based on the assessment of risk, did the auditors adequately test compliance with laws, regulations and other compliance requirements that were identified as having a significant effect on the objectives of the performance audit? (GAS 6.26-28)				
9.4 If information came to the auditors' attention that illegal acts, abuse or other noncompliance occurred, did the auditors: (GAS 6.32-6.35)				
a. Consider whether the audit results could significantly be affected?				
b. If so, did the auditors perform procedures to determine if the illegal acts, abuse or noncompliance occurred?				
9.5 Did the auditors obtain legal counsel to interpret laws and regulations when appropriate? Review the report and working papers with particular attention to agency comments to determine if there were questions about legal and regulatory interpretations. (GAS 6.36-37)				
9.6 Did the auditors exercise due professional care in the pursuit of irregularities, illegal acts and other noncompliance to ensure that potential investigations and/or legal proceedings are not compromised? (GAS 6.33)				

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9.7 Was the nature, timing and extent of work performed in this area sufficient to meet the audit objectives and support the conclusions in the report?				
<u>10. REPORTS ON PERFORMANCE AUDITS</u>				
10.1 Did the report clearly explain the audit's: <ul style="list-style-type: none"> a. Objectives (why the audit was conducted and what the report is to accomplish, including the subject of the audit and the aspect of performance examined, the finding elements developed and whether conclusions and recommendations are given? (GAS 7.10,7.12) b. Scope, including as applicable: (GAS 7.14-7.15) <ul style="list-style-type: none"> (1) Depth and coverage of work conducted? (2) Relationship between the universe and what was audited? (3) The period audited? (4) The organizations and geographic locations covered by the audit? (5) Kinds and sources of evidence used? (6) Explanation of quality or other problems with the evidence? (7) Significant constraints imposed on the audit approach by data limitation or scope impairments? c. Methodology (evidence gathering and analysis techniques used), including: (GAS 7.15) <ul style="list-style-type: none"> (1) Significant assumptions made? 				

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(2) Comparative techniques applied?				
(3) The criteria used?				
(4) When sampling applications significantly support audit findings, a description of the sampling design and why it was chosen?				
10.2 Did the report include specific findings for each audit objective that included, as applicable:				
a. The information discussed in GAS 7.18-7.20?				
b. The finding elements necessary to provide a complete reporting on the audit objective? (GAS 7.19)				
c. When called for by the audit objectives, the auditors conclusions? (GAS 7.20)				
d. Appropriate recommendations when the potential for significant improvement in operations and performance is identified? (GAS 7.21-7.23)				
10.3 Does the report state that the audit was made in accordance with generally accepted government auditing standards? (GAS 5.11)				
10.4 If an applicable standard was not followed, was the GAS conformance statement appropriately qualified? Did the report identify the standard that was not followed, the reason(s) why it was not followed, and the effect that not following the standard had on the audit results? (GAS 5.11)				
10.5 Did the report include all significant instances of noncompliance and all significant instances of abuse that were found during or in connection with the audit? (GAS 7.26)				
10.6 Are the significant instances of noncompliance and abuse presented in				

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proper perspective, including, where applicable, relating the instances identified to the universe and the number and dollar value of cases examined? (GAS 5.19)				
10.7 Did the report describe the scope of work on management controls and identify any significant weaknesses found? (GAS 7.34)				
10.8 Do the findings of significant noncompliance, abuse and significant deficiencies in management control include the following when required by the audit objectives:				
a. The condition, cause, criteria, effect, conclusion, and recommendation? (GAS 5.9, 5.23, 7.18-7.26)				
b. The views of responsible officials? (GAS 5.9, 5.23, 7.43-7.47)				
c. Effective rebuttal of the auditee comments when the auditors didn't agree with them? (GAS 7.47)				
10.9 Does the report present information in a manner that is fair, convincing, objective, and clear? Read the report and judge whether the information is presented in a manner that is accurate and fair. In making judgments, concentrate on the presentation, rather than working paper support, which is evaluated under evidence. Also, in your judgment, is the report complete, concise, and constructive in tone? (GAS 7.55)				
10.10 Did the OIG distribute the written audit report for timely use by appropriate officials? (GAS 7.6)				